



**Request for City Council Committee Action  
From the Office of Intergovernmental Relations  
Office of Grants and Special Projects**

Date: June 24, 2002

To: Community Development Committee

Referral to: Ways and Means Committee

**Subject: Applications for the Metropolitan Council Livable Communities  
Demonstration Account-Demonstration Grants**

**Recommendation: To endorse the attached resolution in support of thirteen (13) applications made to the Metropolitan Council for Livable Communities Demonstration Account Development Grants and direct staff to priority rank the applications using the process described below. The Metropolitan Council requires the City to be the fiscal agent for any grant awards.**

Previous Directives:

Prepared or Submitted by: Gaynell Schandel, Manager, Grants and Special Projects (612) 673-2001

Approved by: John Moir, City Coordinator\_\_\_\_\_

Presenters in Committee: Gaynell Schandel, Manager, Grants and Special Projects

**Financial Impact** (Check those that apply)

- ☒ No financial impact - or - Action is within current department budget.  
(If checked, go directly to Background/Supporting Information)
- ☐ Action requires an appropriation increase to the Capital Budget
- ☐ Action requires an appropriation increase to the Operating Budget
- ☐ Action provides increased revenue for appropriation increase
- ☐ Action requires use of contingency or reserves
- ☐ Other financial impact (Explain):
- ☐ Request provided to the Budget Office when provided to the Committee Coordinator

**Background/Supporting Information Attached**

The Metropolitan Council has made available \$6.75 million to fund models for Smart Growth in all parts of the region. The current funding is to be used for development or redevelopment efforts that fit the spirit of the Livable Communities Development Act (LCDA) program. The Metropolitan Council wishes to be a funding partner in proposals that:

- Create connected places linked to transit where available, or build capacity for transit service, and support walkable neighborhoods.
- Propose a mix of uses-residential, office, commercial and retail, civic or other uses-that facilitate daily needs and community activities.
- Expand housing choices to achieve a mix of housing in a location, especially close to jobs.
- Foster distinctive community place, by including public spaces, respecting local cultural and natural features, and promoting community identity.
- Protect and enhance natural resources.

The Metropolitan Council has requested the City provide a priority ranking for each of the LCDA development applications. In the past staff has provided a "high" to "medium" priority ranking. Currently, the Metropolitan Council has requested an actual ranking number be given to each project.

Staff from the Minneapolis Community Development Agency (MCDA), the Planning Department and Grants and Special Projects Department are suggesting the following process based on past Metropolitan Council ranking criteria.

- Proposals will be rated on "Threshold Criteria" with a possible total score of 50 points. Any proposal with fewer than 20 points will not be ranked. Metropolitan council Guidelines will be used. "Threshold Criteria" include:
  - Housing
  - Mix of Uses
  - Housing mix
  - Economic integration
  - Employment proximity
  - Transit Improvements
- Proposals with more than 20 Threshold Points will be ranked on a three point scale using the following criteria:
  - Community partnerships
  - Leverage "But-For" Test
  - Developability
  - Readiness
  - Site Control
  - Previous LCDA funding
  - Affordability by Metropolitan Council guidelines

Staff will present the priority ranking of applications received to the Community Development Committee on July 29, 2002 in an effort to meet the Metropolitan Council's August 15, 2002 deadline.

The following projects will be submitted by Minneapolis entities.

**Carriage House Affordable Housing Project**-Ventura Village Neighborhood Organization proposes to further expand on last year's funding of \$100,000 to establish an affordable housing fund. The fund would provide up to \$20,000 to an existing homeowner to construct a freestanding accessory unit to the back portion of their lot that would be affordable for a period of ten years. The LCDA assistance could result in approximately 25 affordable units that would use a new innovative building system that will reduce construction costs as well as the long-term energy costs of the units. **Funding Request: \$500,000**

**Colin Powell Youth Leadership Center**-Urban Ventures Leadership Foundation proposes to complete the acquisition of five properties for the construction of the Colin Powell Youth Leadership Center and eleven (11) townhomes. **Funding Requested: \$1,200,000**

**East Phillips Commons Phase II**-East Phillips Improvement Coalition, Powderhorn Park Neighborhood Association, Midtown Phillips and Bloomington/Cedar/Lake Commercial Association propose to develop thirty (30) affordable rental units, four (4) two-bedroom ownership live/work units, and thirty-two (32) two and three-bedroom affordable townhomes at Bloomington and 16<sup>th</sup> Avenues South. In addition to the housing opportunities, Early Childhood Resource Center will be an anchor tenant in the commercial rental space of the rental and live/work units. Construction of an access to the Greenway will also be completed to allow pedestrian connection to the bus and light rail services at Bloomington and Lake. **Funding Request: \$718,000**

**Franklin-Portland Gateway Phase II (Jourdain)**-Hope Community Inc. in partnership with the Central Community Housing Trust proposes to further expand on last year's funding of \$500,000 to create forty-one (41) mixed-income in-fill housing units that will consist of Single Room Occupancy (SRO) units to three bedroom townhomes.

In addition to the residential units, 4,000 square feet of commercial space will be developed on vacant land at the southwest corner of Franklin and Portland. **Funding Request: \$500,000**

**Grain Belt Housing Project**-MCDA and the Sheridan Development Company proposes to rehabilitate the historic Grain Belt Office Building by completing substantial new infrastructure construction and acquisition of an underutilized industrial property. Completion of these activities will greatly enhance the overall development of 400 units of ownership housing and 42,000 square feet of commercial/office space. **Funding Request: \$1,000,000**

**Hiawatha Court**-MCDA and Timbercraft Enterprises proposes to remove, replace and compact soil on 1.74 acre of land three to four blocks away from the proposed 38<sup>th</sup> Street light rail station. Completion of the soil remediation will greatly enhance the overall development of forty-five (45), three story, mixed income condominium units for seniors. **Funding Request: \$300,000**

**Homewood Townhomes**-Northside Residents Redevelopment Council proposes a mixed-use affordable housing and commercial/office space development. The new construction housing project would consist of thirty-two (32) townhomes and flats for sale to first time homebuyers, with some units handicapped accessible. The commercial office space will be used for neighborhood based commercial activities. **Funding Request: \$200,000**

**Little Earth of United Tribes Housing Corporation Phase III**-Little Earth proposes to address health, safety, security and environmental improvements through a rehabilitation of forty-two (42) townhomes, fourteen (14) apartment units, maintenance facility and the conversion of the current temporary maintenance facility into a technology center. **Funding Request: \$585,000**

**Penn-Lowry VOA Senior Housing**-MCDA and Volunteers of America propose to build a four (4) story mixed use structure that includes mixed-income independent rental housing for seniors as well as 15,000-17,000 square feet of retail space. **Funding Request: \$500,000**

**Phillips Park Initiative Phase II**-MCDA and Phillips Park Initiative propose to further the Phillips Park Initiative by completing twenty-five (25) renovated and newly constructed homes for owner-occupants, preservation and new construction of twenty-four (24) affordable rental housing units, and the retention of three (3) current owner-occupants through rehabilitation of the existing structures and refinancing of debt. **Funding Request: \$500,000**

**PPL Collaborative Square**-Project for Pride in Living (PPL), Inc. proposes to complete a multi-phase redevelopment of mixed uses along Franklin Avenue between Park and 11<sup>th</sup> Avenues. The mixed uses include, twenty (20) residential housing units of family housing with some units of supportive housing, renovation of two office buildings and Franklin Art Works, improvements to Chicago Crossings to address security and safety issues and enhancements to Peavey Park. **Funding Request: \$999,000.**

**Southeast Minneapolis Industrial (SEMI)/Bridal Veil**-MCDA proposes to complete infrastructure to support the first phase of a biotechnology park adjacent to the University of Minnesota transit-way. The proposed North Star commuter rail line and the Central Corridor light rail currently being planned are in close proximity to the project. Paving, landscaping, roadway construction as well as an extension of 25<sup>th</sup> Avenue SE will be constructed to support the biotechnology park. The infrastructure is needed to serve the mixed-use area that includes housing and eventual creation of 6,000 living wage jobs. **Funding Request: \$1,000,000**

**Village in Phillips**-MCDA and Powderhorn Residents Group propose to build 28 townhouse units consisting of twenty-five (25) ownership and three (3) Minneapolis Public Housing Authority units. This is just one component of a three-phase development that will stabilize a 3 ½ block area. Up to thirty (30) existing homes will be rehabilitated and 125 new ownership and rental units will be added. The project is located within a ¼ mile of the proposed Franklin Avenue and Hiawatha light rail as well as being adjacent to two individual bus routes along 24<sup>th</sup> Street East and Bloomington Avenue. **Funding Request: \$1,000,000**

RESOLUTION NO. \_\_\_\_\_

CITY OF MINNEAPOLIS, MINNESOTA

**AUTHORIZING APPLICATION  
FOR DEVELOPMENT GRANT THROUGH  
THE LIVABLE COMMUNITIES DEMONSTRATION PROGRAM**

**WHEREAS** the City of Minneapolis is a participant in the Livable Communities Acts' Housing Incentives Program for 2002 as determined by the Metropolitan Council, and is therefore eligible to make application for funds under the Livable Communities Demonstration Account; and

**WHEREAS** the City has identified a proposed project within the City that meets the Demonstration Account's purpose/s and criteria; and

**WHEREAS** the City has the institutional, managerial and financial capability to ensure adequate project administration; and

**WHEREAS** The City certifies that it will comply with all applicable laws and regulations as stated in the contract agreements; and

**WHEREAS** the City Council of Minneapolis, Minnesota agrees to act as legal sponsor for the project contained in the development grant application submitted on July 15, 2002,

**BE IT FURTHER RESOLVED** that the City Coordinator is hereby authorized to apply to the Metropolitan Council for this funding on behalf of the City of Minneapolis and to execute such agreements as are necessary to implement the project on behalf of the applicant.

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Mayor

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Clerk